

SECTION M
EVALUATION FACTORS FOR AWARD

M-1. 52.217-5 EVALUATION OF OPTIONS (JUL 1990)

Except when it is determined in accordance with FAR 17.206(b) not to be in the Government's best interests, the Government will evaluate offers for award purposes by adding the total price for all options to the total price for the basic requirement. Evaluation of options will not obligate the Government to exercise the option(s).

(End of provision)

M-2. BASIS OF EVALUATION

M-2.1. This is a competitive source selection and will be conducted in accordance with the Federal Acquisition Regulation (FAR) and applicable supplements. The Government has established a Source Selection Evaluation Board (SSEB) to evaluate proposals submitted in response to this Request for Proposal (RFP). Proposals will be evaluated by the SSEB using the evaluation factors and subfactors identified below.

M-3. EVALUATION FACTORS

Evaluation factors and subfactors are:

- a. Factor 1 - [Technical Approach - Network Adequacy](#)
- b. Factor 2 - [Past Performance](#)
- c. Factor 3 - Price

M-4. EVALUATION FACTOR RELATIVE VALUES

M-4.1. The [Technical Approach - Network Adequacy](#) factor is weighted the highest. [Past Performance](#) factor is less important than the [Technical Approach - Network Adequacy](#) factor but more important than the price factor. Price is least important.

M-4.2. Evaluation factors, technical and past performance, when combined, are significantly more important than price.

M-4.3. Offerors should be aware that if competing proposals are determined essentially equal in terms of non-price factors, the Government may determine that the best value decision is the offer with the lowest price. The Government may make tradeoffs between technical, past performance, and price, when determining which offer constitutes the best value to the Government. This tradeoff process may result in an award to other than the low priced offer or other than the proposal with the highest non-price factor rating.

M-5. EVALUATION OF TECHNICAL APPROACH

M-5.1. Each technical proposal will be evaluated according to the evaluation factors stated herein. Each proposal will be evaluated separately and will be evaluated solely on its own merits. The technical approach will be assigned a proposal risk rating.

M-5.2. The Government will evaluate the contractor's proposed network development model and network management plans as it relates to establishing, and maintaining a network that ensures access to quality health care within regulatory standards.

M-6. EVALUATION OF PAST PERFORMANCE

M-6.1. Past performance will be evaluated utilizing the information obtained from past performance documentation furnished with the proposal and information obtained from other sources. Assessing an offeror's past performance is a key method of evaluating the credibility of an offeror's proposal and their capability to meet performance requirements.

SECTION M
EVALUATION FACTORS FOR AWARD

M-6.2. The Government will evaluate past performance relevance, scope and magnitude as it relates to this solicitation. Location of past performance for this solicitation is not a consideration. The outcome is to determine a confidence level in an offeror's ability to successfully perform the requirements of this contract. An offeror's description of their past performance and of their references, the references provided, including past performance reports completed by the references, and the submitted key personnel information will be used to develop a performance confidence level. Providing references that cannot be contacted by the Government may have an adverse impact on the past performance evaluation of an offeror.

M-6.3. If an offeror has no past performance history relating to the requirements stipulated in this RFP, the offeror's past performance rating will be neutral and will not be evaluated favorably or unfavorably. This rating is neither negative nor positive. Neutral is merely indicative of a lack of prior performance in the area of the requirements as outlined in this RFP. If an offeror submits applicable past performance information from a predecessor company or from a partner or consortium member, this information will be considered in rendering a performance confidence level rating. This rating will be based on the amount of past performance, its applicability to the requirements of this RFP, and the amount of control the partner or consortium member had in the daily operations of the offeror. An offeror shall submit past performance information on its key personnel where no other past performance information is available. The Government will also utilize their own records relating to predecessor companies, partners, consortium members, or key personnel where applicable and relevant. The Government will consider this information in rendering a performance confidence level rating. This rating will be based on the employee's role in the company and the amount of past performance the employee had related to the requirements of this RFP. Irrespective of whether the past performance data relates to a partner, consortium member, or an employee or group of employees, the Government may still render a performance confidence level of neutral if convincing and relevant past performance information is not available. If the foregoing information is not available, the Government may use relevant past performance information of subcontractors with a significant functional role in performing the contract. If the subcontractor(s) does (do) not have relevant past performance information, a performance confidence level of neutral will be assessed.

M-7. EVALUATION OF PRICE

M-7.1. Each offer shall be evaluated for purposes of award based on the calculation of a Total Evaluated Price. The Total Evaluated Price is the summation of the following extended CLIN amounts: Transition-in (CLIN 0001), Managed Care Fee Per Member Per month for Active Duty (CLINs 1001, 2001, 3001, 4001), Managed Care Fee Per Member Per Month for Active Duty Family Members (CLINs 1002, 2002, 3002, 4002), Case Management Fee for Non-Enrolled Active Duty (CLINs 1003, 2003, 3003, 4003), Contracting Officer Directed Travel (CLINs 1005, 2005, 3005, 4005) and the **highest** proposed transition-out (CLINs 1004, 2004, 3004, 4004).

M-7.1.1. For Option Periods 1, 2, and 3, the "amounts" used in calculating managed care fee for the per member per month CLINs will be the "quantity" as stated in the Schedule, multiplied by the offeror's unit price, multiplied by 12 months. For Option Period 4, the "amount" column in the Schedule will be determined by multiplying the "unit" price by the estimated "quantity" provided in the Schedule, multiplied by 9 months. The offeror may develop their per member per month unit price based on any other information they choose, however for evaluation purposes, the government will use the stated quantity in the Schedule.

SECTION M
EVALUATION FACTORS FOR AWARD

M-7.1.2. In calculating the Total Evaluated Price, the government will use the amount of \$80,000 (\$20,000 per year) for the Contracting Officer's Directed Travel CLINs.

M-7.2. The unit prices for all CLINs (excluding Contracting Officer Directed Travel) will be evaluated for price reasonableness and unbalanced pricing. A "price reasonableness" determination will be made using price analysis techniques, including a review of any "information other than cost or pricing data" submitted by the offeror. Unbalanced pricing exists, when despite an acceptable total estimated price, the price of one or more contract line items is significantly overstated or understated as indicated by the application of price analysis techniques. For additional information regarding price analysis techniques, please see the following website which provides contract pricing guidelines referenced by the government during the evaluation process:
<http://www.acq.osd.mil/dpap/contractpricing/chap-index.htm>.

M-8. EVALUATION OF FINANCIAL DATA

M-8.1. The financial data submitted by each offeror will be used by the Contracting Officer in determining responsibility (see FAR 9.104-1-contractor responsibility).

(End of Section)